

5-2021

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Shtanko, Liudmyla (2021) "Economic Ethics of Ukrainian Protestants as a Means of Stabilization of Economic Processes," *Occasional Papers on Religion in Eastern Europe*: Vol. 41 : Iss. 4 , Article 13. Available at: <https://digitalcommons.georgefox.edu/ree/vol41/iss4/13>

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ECONOMIC ETHICS OF UKRAINIAN PROTESTANTS AS A MEANS OF STABILIZATION OF ECONOMIC PROCESSES

By Liudmyla Shtanko

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Abstract

The article considers the influence of Protestant business with its inherent business ethics, attitude to work, "labor ethics" on economic processes in Ukraine. It is noted that although Ukraine does not belong to a group of Protestant countries; Protestants take a very active position in addressing many issues of social orientation. This paper describes the activity of Protestants in various fields of public life in Ukraine, including science, education, health, legal, and social spheres. Protestant businessmen have formed a Protestant business environment, which can include enterprises and organizations founded by Protestants and the influence of the founders on the concept of development is significant, and firms in which the vast majority of workers are also Protestants. It has been found that the influence of Protestant business and its ethical concept is due to a number of factors of direct and indirect influence. Protestants directly influence economic processes through their activities, and some organizations are members of sectoral and regional associations and participate through them to industries and regions; some organizations take part in legal and legislative activities. Indirectly, Protestant business influences are carried out through such stabilizing factors as creating a positive climate in the community, raising the level of spirituality of contact audiences, influencing the families of employees and partners, social initiatives, and solving problems of the local community. The strength and direction of the influence were assessed through a survey that compared several categories of respondents: founders and leaders, CFOs and chief accountants, and employees. The results of the survey confirmed the stabilizing influence of Protestant economic ethics on the socio-economic situation of both individual regions of Ukraine and its economy as a whole.

Keywords: Protestant ethics, Protestants, Protestant business, factors influencing economic processes, Ukraine.

Introduction

The influence of Protestant ethics on the economic development of countries is well known. The attitude of Protestants to labor has led to an economic upsurge lasting more than a century and has forever changed the economic and the political worldview. Even now, despite the influence of other factors, we can see the leading position of regions such as Northern Europe or North America, which may differ in many economic and social indicators from most other countries. Even non-Protestant countries with a high level of economic development have borrowed certain elements of the economic model of development, which was formed by the influence of Protestant ethics.

What is the significance of the Protestant heritage of Ukraine? This issue is addressed in this study of Ukraine which cannot be defined as Protestant. In order to achieve this, a review of the heritage of Ukrainian Protestants, including in the field of economics and business, has been made. It was found that despite of the relatively small percentage of Protestants in Ukraine, their activity in the field of social development is much higher than that of the Orthodox, who make up the bulk of the population. Protestants have their own religious associations, communities, social centers, prevention facilities, educational institutions that form a positive background in society. One of the activities of Protestants is business, which exerts its influence on economic processes and has a stabilizing effect on the general economic situation in the country. Protestant business organizations exert both direct and indirect influence, which is confirmed by statistical research and will be discussed below.

Achievements of Protestants in Ukraine

In their historical development, Protestants did not set themselves the stated and conscious goal of economic development. The concept of "Protestant ethics" was considered by Max Weber in his work "Protestant ethics and the spirit of capitalism." This ethical behavior was formed historically in a natural way, through the attitude of people to work as a divine vocation. In order to avoid confessional coloring, some call this concept "business ethics," "Western business ethics," or "work ethics." This attitude includes the understanding that when people, no matter what craft they are engaged in, do the work honestly, responsibly, thereby serving God and have the same sacred vocation as priests or monks. The result was the development of crafts, cities, the formation of ethics of honest agreements, the production of quality goods, and taking

care of workers, because all this was done with the awareness that all of it is seen by God; and it pleases God when God's children behave in this way. This results in an extremely strong human incentive to work and has led to systemic development. As Max Weber points out on the example of the ethics of Calvinism, "The Calvinist God demanded from his chosen ones not individual "good deeds," but holiness, which became a system ... The practical ethics of Calvinism made it possible to overcome the lack of plan and system in the daily life of the believer, and made all his life behavior very consistent."¹ It is because of this attitude that Protestant countries have become among the most economically developed. The model of business ethics especially the construction of economic relations, specifically the indicators and characteristics of a macroeconomic model, became an example for other countries. And even these countries, that cannot classify themselves as Protestant ones, consciously or unconsciously enjoy the benefit of Protestant ethics.

As for Ukraine, the following should be noted. Despite the fact that it is located in the center of Europe, one might have expected that the Protestants should have been spread. Indeed, in a historical context, Protestants had a fairly significant impact on the country's social development. However, other factors led to a different orientation for Ukraine. These include the 70-year Soviet past and the dominance of the Orthodox Church of the Moscow Patriarchate. The latter is distinguished by a significant inertness to the manifestations of the reformation movements and had a significant impact until recently, until the Ukrainian Orthodox Church received a *Tomos* of autocephaly from the Patriarch of Constantinople. These factors have formed an environment in Ukraine characterized by the so-called Eastern or Byzantine thinking, which in many ways contradicts Protestant ethics. A study by the Ministry of Economic Development entitled "Economic Breakthrough," conducted with the support of UNICEF, was devoted to this issue. Leading economists, the largest economic universities and the Institute of Evolutionary Economics took part in carrying out this order. The materials of this study have not yet been published. They will be available later on the Ministry's website.²

Therefore, the study of the impact of Protestant economic ethics on economic processes in Ukraine should begin with an understanding of the proportion of Protestants in the country, their achievements during the years of independence and the possibility of their influence on various

¹ Макс Вебер "Протестантська етика і дух капіталізму" р. 70. <http://litopys.org.ua/weber/wbr.htm>. Accessed 20/01/2021.

² <https://www.me.gov.ua/?lang=uk-UA>.

social processes. Among the official sources that publish data on the number of Protestants or the number of their organizations are the following institutions: Institute of Religious Freedom, which is a human rights organization in the field of protection of religious freedom in Ukraine, and a scientific institution of the Institute of Philosophy of the National Academy of Sciences of Ukraine, Ministry of Culture of Ukraine.

The proportion of Protestants in Ukraine is quite small, slightly more than 2% (and although in different sources this figure may differ slightly, as stated on the site "Christians for Ukraine:" "the data on the number of Protestants in Ukraine is contradictory and varies from 1, 0% to 2.0%. The only reliable information on the number of registered religious organizations,"³ states that it does not exceed 2% or 2.5%). But Protestant influence is not only measured by their number, but also by their activity, which is much higher than the average activity of the population that does not belong to a particular religion or refers themselves as the traditional Orthodox population (although it should be noted that this category includes a large percentage of formal believers). Protestant denominations are growing faster than the other, more widespread Christian churches in Ukraine. According to the analytical portal "Word and Deed" "in 2013 more than 70.6% of the population considered themselves Orthodox, in 2018 they made up 67.3%, and the Protestants increased from 0.8% to 2.2%."⁴ According to the Almanac "Protestants - the property of Ukraine," released in 2017, which was the year of celebrating the 500th anniversary of the Reformation, during the period of independence of Ukraine until 2017, the number of Protestant churches increased by 258% (from 2,721 to 9,742), at the same time the Orthodox church grew by 168%, from 7,034 to 18,879; Catholics grew by 54%, from 3,095 to 4,768."⁵

An important indicator, perhaps more important than the number of believers, is the proportion of organizations founded by the corresponding religious association, denomination, or religious community. According to the Ministry of Culture of Ukraine, the Annual Report on the Network of Churches and Religious Organizations states that "among all religious organizations

³ Чисельність протестантів серед світових релігій і християнських конфесій <http://c4u.org.ua/chyselnist-protestantiv/> Accessed 20/01/2021.

⁴ До яких церков ходять українці: як змінювалася релігійна прихильність населення останні п'ять років <https://www.slovoidilo.ua/2018/10/23/infografika/suspilstvo/yakux-cerkov-hodyat-ukrayinczi-yak-zminyuvalasya-relihijna-pryhylnist-naseleण्या-ostanni-pyat-rokiv> Accessed 20/01/2021.

⁵ Протестанти – надбання України. Короткий огляд 2017. *Асоціація Поклик* С. 30.

in Ukraine, 53.7% are Orthodox, 28.9% are Evangelical (Protestant) and 14.3% are Catholic."⁶ Thus, 2% of believers account for almost 30% of organizations, which is an indicator of the activity of Protestant churches.

Another important source of statistical data is sociological research, of which one of the most authoritative and comprehensive is the Razumkov Center's research "Religion and the Church in Ukrainian Society," conducted since 2000.⁷ According to a sociological study by the Razumkov Center, which has a wide sample of respondents, 20 years of research, and high reliability, the dynamics of the number of Protestants in relation to the traditional Orthodox Church and the fairly widespread Greek Catholic Church was as follows:

Table 1

Confessional affiliation of the population of Ukraine (according to a poll)⁸

	2000	2010	2018	2019
Orthodox	66,0	68,1	67,3	64,9
Greek Catholic	7,6	7,6	9,4	9,5
Protestant	2,0	1,9	2,2	1,8
Christians in general understanding	6,9	7,2	7,7	8,0
Are not connected with any religion	15,3	13,2	11,0	12,8

In the regional context, Protestants in Ukraine are represented fairly evenly, except for the Western regions, where their proportion may be 1% due to the larger number of Greek Catholics in these regions. Thus, the data of opinion polls confirm the statistics of reports of official institutions.

⁶ Звіт про мережу церков і релігійних організацій в Україні, затверджений Міністерством культури України за підсумками 2019 року, <https://www.irs.in.ua/ua/statistics-of-religious-organizations-in-ukraine-2020> Accessed 20/01/2021.

⁷ Держава і церква в Україні-2019: підсумки року і перспективи розвитку відносин (інформаційні матеріали) https://razumkov.org.ua/uploads/article/2019_Religiya.pdf. Accessed 22/01/2021.

⁸ Держава і церква в Україні-2019: підсумки року і перспективи розвитку відносин (інформаційні матеріали) https://razumkov.org.ua/uploads/article/2019_Religiya.pdf. Accessed 22/01/2021.

The achievements of the Protestants in Ukraine during the years of independence include the following factors:

- identification of social problems and implementation of initiatives to solve them;⁹
- impact on the development of society, including the formation of a new culture that also includes Protestant business ethics.

As it has already been mentioned, the influence of Protestants and their activity can be demonstrated by institutions founded by Protestant denominations in various fields:

1) Legal activity: Institute of Religious Freedom, Council of Evangelical Protestant Churches of Ukraine, All-Ukrainian Council of Churches and Religious Organizations

2) Volunteer assistance to the Eastern regions: “Save Ukraine” Center, Front line help ADRA (Adventist Development and Relief Agency)

3) Social work: 300 rehabilitation centers for people with addictions, 50 Christian orphanages (20,000 orphans under the care of Protestant families)¹⁰

4) Medicine and health care: medical centers, private clinics, sanatoriums

5) Education: Protestant institution of higher education "Ukrainian Institute of Arts and Sciences," more than 100 institutions of higher spiritual education, about 100 schools, kindergartens, united with the International Alliance for the Development of Christian Education.¹¹

Important emphasis is made in key areas such as education, health and social activities, which are in line with Protestant worldviews. During the Soviet past of Ukraine, which was most acute in terms of spiritual issues and social problems, the attitude of the public towards people with special needs who were seen as inferior members of society was poor, and children and youth were educated to have atheistic values. To form a society with new values requires making special efforts. Participating in these processes, Protestants took an extremely active position, as evidenced by the number of corresponding institutions and agencies, as well as the number of persons to whom these organizations have provided services.

Protestants in business are both founders of their own enterprises, most commonly the areas of small and medium-sized business, and employees, including CEOs and managers of large enterprises, Ukrainian offices of transnational corporations with or without international

⁹ Протестанти – надбання України. Короткий огляд 2017. *Асоціація Поклик*. С. 1.

¹⁰ Протестанти – надбання України. Короткий огляд 2017. *Асоціація Поклик*.

¹¹ <https://mapxo.org/>.

capital. In small and medium-sized businesses most of the company members may also be Protestant workers. In large businesses, of course, this is almost impossible and is not desirable. Another aspect of Protestant business is the creation of social entrepreneurship startups. This is an area of entrepreneurship that aims not only at making a profit (although it is also part of it), but also to solve certain social problems. The Ukrainian Social Academy, which conducts annual business accelerators, has been established to teach the basics of social entrepreneurship, support social business initiatives, and find investors. This institution lobbies for bills regulating preferential taxation of funds allocated to charity. In Ukraine, there is still no developed legal framework for financial support of philanthropists in the form of preferential taxation.

Analysis of the Statistical Study "Protestants in Business--Determining the Factors Influencing Economic Processes."

In order to reach the aims of determining the impact of business ethics of Ukrainian Protestants on the economic situation in Ukraine, of identifying certain factors of influence, or of clarifying the impact on the stabilization of economic processes, a questionnaire was developed to interview Ukrainian Protestants. The questionnaire includes various questions of quantitative and qualitative assessment concerning the internal and external environment of the Protestant company.

According to the results of research, which were also confirmed by a survey, the impact of the Protestant business (founded by Protestants, which employs a significant proportion of Protestant workers), can be represented schematically (fig.1).

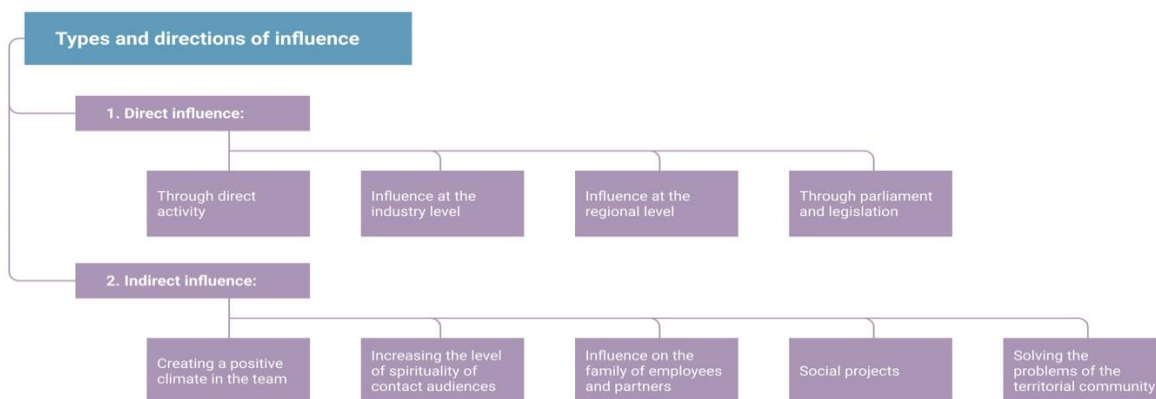


Fig.1 The influence of Protestant business on economic processes in Ukraine

We are going to consider each type of influence in more detail. So, the stabilizing influence of Protestant business can be direct and indirect. The direct influence is carried out as a result of the direct activity of the Protestant business or the activity of its individual representatives. The effect of an indirect influence is achieved due to the positive consequences of the Protestant business on society: the collective, the families of workers, contact audiences, the local territorial community, which in itself is a stabilizing factor. Each of these types of influences has its own factors.

1. Factors of direct influence:

1.1. Through direct activity. Every enterprise, organization, institution founded by Protestants, makes a direct contribution to economic development, because it is part of the real economy of the country. The success of each individual enterprise is a component of the success of the economy as a whole. Protestants are trying to conduct so-called honest business in Ukraine, in their activities they oppose corruption, which is one of the important factors in slowing down economic growth.

1.2. Influence at the industry level. Each company operates in a particular industry. When studying the competitiveness of the enterprise, the main basis for comparison are intra-industry competitors. Therefore, the stability and growth of Protestant companies has a positive effect on industry averages.

1.3. Influence at the regional level. Protestant entrepreneurs and Protestant firms are very often represented at the regional level. As noted above, Protestant business in Ukraine is mostly represented by small and medium-sized companies, so their activities are most important at the regional level. Regional influence is exercised both through the direct activities of the company that creates a product or service for the local population, and through interaction with local authorities, civil organizations, individual citizens, aimed at solving social and other problems of the local community.

1.4. Through parliament and legislation. Some Protestant businessmen and public figures are directly involved in the legislative process through the *Verkhovna Rada* or the Council of Local Communities because they are deputies. An inter-factional association of Christian deputies has been set up in the Ukrainian parliament to hold regular prayer meetings. But the number of Protestants directly involved in politics is relatively small. This is due to the Soviet

past, where believers were denied access to even higher education, and government officials were seen as enemies of the church. Most Protestants participate in the legislative process indirectly through public discussions of bills, participate as consultants in the relevant committees of the *Verkhovna Rada*, express their attitude to certain initiatives through the system of electronic petitions.

2. Factors of indirect influence:

2.1. Creating a positive climate in the company. The Protestant work ethic creates the basis for the formation of a specific corporate culture that helps each employee feel socially protected, forms a high level of trust, promotes employee initiative, and also stimulates them to work efficiently and take responsibility for their duties. Also, among fellow Protestants, there is a high level of mutual assistance, which has a positive effect on both formal and informal relationships in the company. Employees, who are satisfied with their work, exercise a stabilizing influence on economic processes at the micro level and create the basis for more global processes.

2.2. Increasing the level of spirituality of contact audiences. At the level of the parliament and government of Ukraine, research by scientists, incl. The Academy of Sciences of Ukraine raises the question of the importance of the humanitarian factor in achieving sustainable development goals, including economic growth. The spirituality of each individual, employee at an enterprise, a leader both at the level of a specific business and at the level of the state is not perceived in a narrowly religious confessional sense, but as a component of the culture and psychological health of a person, and therefore of the nation as a whole. Work in the Protestant business directly (through special measures of spiritual direction in the workplace) or indirectly (through the example of colleagues, exchange of spiritual experience, etc.) positively affects the spiritual level of a working person.

2.3. Influence on families. A healthy atmosphere in the company, the growth of spirituality during work in Protestant organizations create a positive impact on the families of workers and founders. Most families value the benefits that Protestant businesses provide to their workers. On the other hand, Protestants take an active stance for the preservation of family values traditional for Ukraine and quite successfully oppose attempts to promote the ideas of LGBT communities. The family is an important factor in supporting the values of businessmen, who in their work face a number of challenges to their Christian principles. One of the indicators for assessing

different countries of the world is the so-called happiness index, which is significantly influenced by the state of families in the country.

2.4. Social projects. The social activity of Protestants in most cases is laid down in the doctrine of their creed, primarily in the concept of God's love for humans and the commandment "to love one's neighbor," which is the main motive in performing "good deeds" through the implementation of various social initiatives. Christ left an example of love for one's neighbor, helping the lowest strata of the population. Examples of caring for socially unprotected segments of the population (orphans, widows) can be found in the Old Testament laws of Israel. The main areas of social activity of modern Ukrainian Protestants are children (including orphans, large families), low-income people; people with alcohol, tobacco, drug addiction (including programs and centers for rehabilitation and prevention), education and health. The last two directions are of special concern of Protestants. In 2016, the International Alliance for the Development of Christian Education was created, uniting the Protestant schools of the countries of the former Soviet Union. The Alliance provides advisory support to everyone who wants to open a Christian school and professional development of Christian teachers. A healthy and educated nation is the key to sustainable development of the country.

2.5. Solving the problems of the territorial community. Organizations representing Protestant businesses are part of the macro environment of a territorial community. Through an active civic position, concern to social problems, which corresponds to the concept of the Protestant doctrine, higher social activity and initiative, Protestants in some regions occupy a leading position in solving specific problems of society. It should be noted that Ukraine has implemented a decentralization reform, started back in 2014 and includes strengthening the rights, opportunities for local self-government and administrative-territorial reform. Local authorities received more powers, as well as opportunities for financing local budgets. Protestant businesses, like individual citizens, have the opportunity to finance their initiatives from local budgets through a project competition.

Table 2. Indicators for assessing the factors of direct and indirect influence of Protestant business to stabilize economic processes

Types of influence	Factors and directions of influence	Possible evaluation indicators
1. Factors of direct	1.1. Through direct activity	Production and sales volumes,

influence		Volumes of profit, Taxation, Number of employees, Salary Fund, Deductions from the salary fund, etc. Corruption index
	1.2. Influence at the industry level	Competitiveness indicators Number of partners (including suppliers, customers, consumers) Number of deals, etc.
	1.3. Influence at the regional level	The amount of contributions to the local budget Number of projects submitted to the local budget Number of local customers served Number of regional partners Number of CSR projects focused on the needs of the region Number of joint initiatives with local governments
	1.4. Through parliament and legislation	Number of legislative initiatives Number of signed petitions Number of petitions formed and submitted Number of employees involved in legislative activities
2. Factors of indirect influence	Creating a positive climate in the company	Existence of a rule of corporate ethics or an employee code Increasing labor productivity Reducing staff turnover Number of employee initiatives supported by management Reducing the number of conflicts Effective interaction between employees
	Increasing the level of spirituality of contact audiences	Joint prayer breakfasts with the company or partners A brief spiritual inspiration for the company Joint planning of social projects or services for the church Gifts of spiritual direction to partners
	Influence on families	The number of marriages and the number of divorces by different religious groups Country Happiness Index
	Social projects	Social projects Number of social, rehabilitation, training centers, number of people and projects they implement

		Number of educational institutions (different level, status) The number of health care and prevention facilities, the number of people and the projects they implement The amount of assistance provided to socially vulnerable groups The number of people falling under social categories in need of assistance and the number of projects for them
	Solving the problems of the territorial community	Number of projects submitted to local budgets Number of projects implemented at the expense of local budgets Number of projects aimed at solving the region's problems The amount or percentage of funds allocated for the development of the local community

The survey, conducted to assess Protestant business ethics and identify the activity of Protestant businessmen, involved three categories of respondents: founders or leaders of enterprises and organizations, CFOs or chief accountants (in small enterprises, chief accountants act as CFOs), and Protestant workers working in enterprises founded accordingly also by Protestants. 70 respondents were interviewed, who were addressed to participate in this study (that is, there was a careful selection of respondents). The questionnaire on which the survey was conducted consisted of several sections: some sections were targeted to a specific category: founders (managers), CFOs (chief accountants), and employees. The sections were formed taking into account the characteristics of each category of respondents, the possibility of their access to relevant information, the degree of their influence on the situation in their organizations, interaction with partners, government and public organizations, etc.

There was also a list of general questions for all categories of respondents. These questions included issues of social, political, and civic activity of Protestant business. The respondents assessed the activity of their organizations in the organization, support and participation of socially responsible projects, contribution to the development of the territorial community, participation in regional development projects, etc. The vector of the research was aimed at identifying the sources of social activity of Protestant entrepreneurs, which can include both their own initiative and the initiative of their employees and partners. The practice of interaction of

Protestant business structures with non-profit, charitable organizations, and foundations was also clarified.

One of the research areas was also to determine the participation of organizations in lawmaking through such possible forms as signatures of petitions to the President, to the *Verkhovna Rada*, to the government, participation in public discussion of draft laws, cooperation with deputies of different levels, the activities of industry and regional associations, etc.

The distribution of respondents by category was as follows: there are 23 respondents of founders or managers of enterprises, accounting for 35.9%; there are 5 CFOs or chief accountants, accounting for 7.8%; there are 36 workers, accordingly 56.3%.

The purpose of the survey of the category of respondents "leaders/founders" was to identify their influence on the principles of doing business, differences in business before and after they became adherents of the corresponding Protestant denomination, the formation of a corporate culture in their companies, caring for their employees, their families, and also finding out the level of sacrifice and participation of charity as an integral part of the Protestant business culture. So, the results of a survey of founders and leaders showed the following: 23 people, or 85.2%, organized their own business, being representatives of the Protestant community. Only 14.8% did so before becoming members of Protestant communities.

When asked about changes in business after directing their lives in the mainstream of Protestant ethics (table2), it is worth paying attention to several points: 16.7 % noted that they had to change their business altogether due to changes in values, 33.3% of respondents were forced to give up part of their lucrative contracts. Another 33.3% said that they felt changes in the microclimate in the company. Members of the company are experiencing significant changes. 50% of CFOs and 83.3% of ordinary workers said they felt significant positive changes at work in a Protestant environment. This indicates that Protestant businessmen create a favorable professional environment for people, which is an important positive factor in stabilizing the economy.

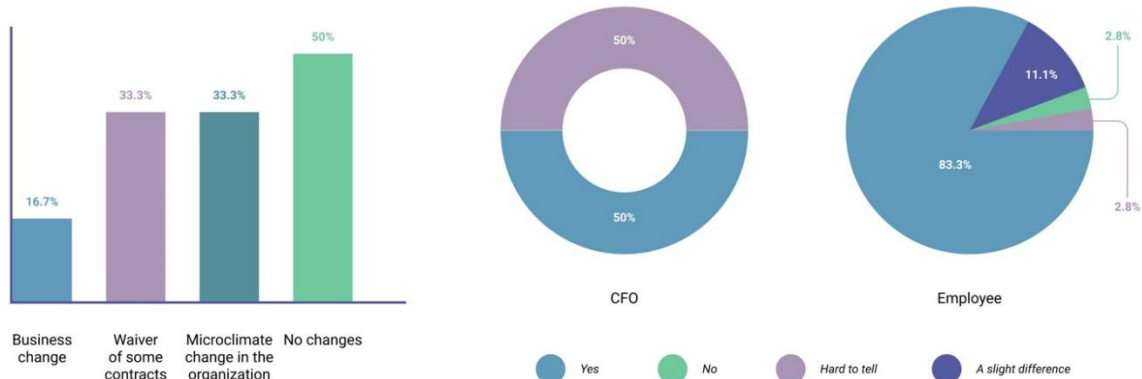


Figure 2. Changes in business by the influence of Protestant ethics

As noted above, Protestant ethics concerns both the ethics of interaction with organizations, which is the external environment, and the so-called "work ethic" concerns the internal microenvironment of the organization. Figure 3 shows the percentage of Protestants in the external and internal environment of Protestant business.

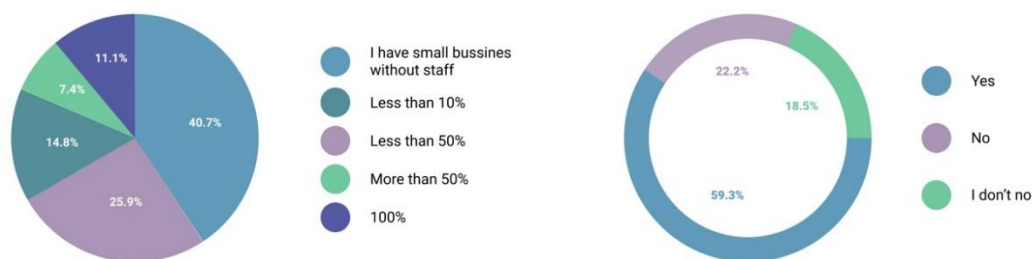


Figure 3: The proportion of the general confessional characteristic of the Protestant business environment (left: proportion of Protestant workers, right: proportion of Protestant partners)

As can be seen from the figure 3, Protestants in their business largely cooperate with Protestants, both at the microenvironment level and at the level of the immediate environment,

that is, partners. 58.3% are Protestant employees, which also include representatives of small businesses working without hired workers. The company is the internal microenvironment of the company. With regard to partner organizations that are part of the external business environment of the enterprise, 59.3% have partners who are also Protestants. 18.5% of respondents answered that they do not know their partners.

Significant is the decision-making on agreements or activities and the ability of Protestant businesses to reject even lucrative cooperation options that might conflict with their values. In figure 4, 77.8% of managers and 39.5% of employees voiced the existence of such cases in their practice (in the category of workers, the percentage is lower due to the lack of information about such cases, because most decisions of such a plan are made precisely at the level of top management. For the category of workers, almost 40% is also a fairly high index).

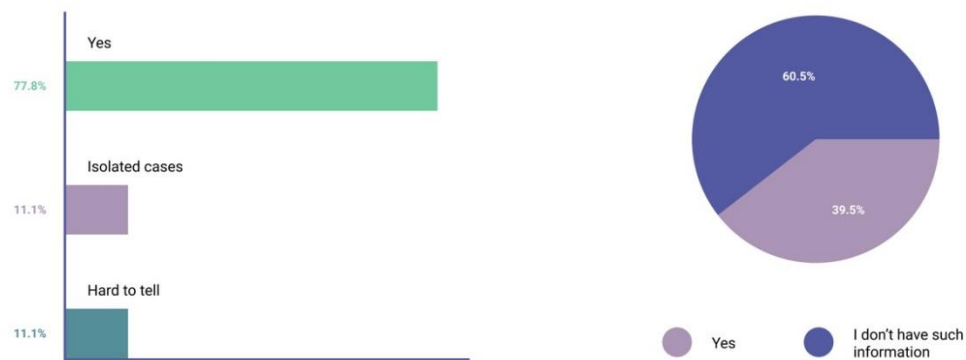


Figure 4: Proportion of refusals of transactions that contradict the norms of Protestant ethics

As noted, among the factors of indirect influence is the influence on families. Therefore, the questionnaire clarified the attitude of the families of workers to the fact that they work in Protestant organizations, they donate part of their income, thereby reducing the part that belongs to the family; to what extent family members are ready to support the employee to work in the Protestant segment, despite the factors of wages (Figure 5).

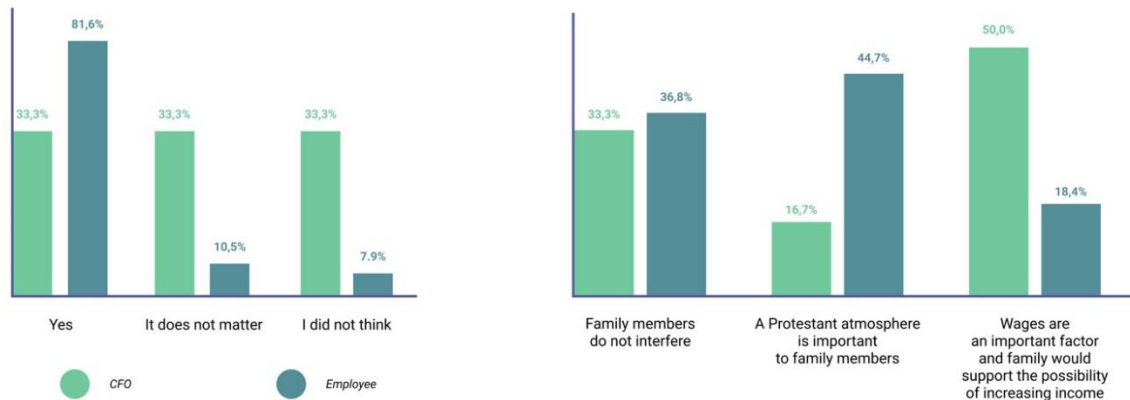


Fig 5. Attitude of family members to work in a Protestant environment

(Left: the attitude of the family to work in a Protestant firm; right: the attitude of family members to the opportunity to change jobs to a more profitable, but in a non-Protestant organization)

Among financial workers, the attitude of families to the fact that they work in a Protestant organization was divided equally between three answers: family members support, family members are indifferent to this question or they did not think about this question (33.3%, respectively). The percentage of active family support among employees is much higher and amounts to 81.6%. This is due to the fact that ordinary workers value more the atmosphere in the company, favorable working conditions, and people who have achieved certain success in the financial sector and hold the positions of financial directors are more picky about the issue of wages, the possibility of obtaining adequate income, and ensuring a high standard of living for members your family. This assumption is also supported by the following question about the possibility of changing jobs for a better paid job in a non-Protestant organization, which was supported by half of the families of the surveyed CFOs. Conversely, workers' families value the opportunity to work in a Protestant environment more. It turned out that 44.7% of those who would be willing to receive a lower salary to support Protestant organizations.

An important factor in the influence of the Protestant business on the stabilization of the socio-economic situation in Ukraine is its activity in charitable and social activities. The survey clarified the issues of financial support for charitable projects, cooperation with charitable organizations, own social and charitable initiatives, cooperation at the regional level to address

social problems. To assess the level of sacrifice, it was found out what part of the firm's income, according to managers and CFOs, goes to charity (Figure 6).

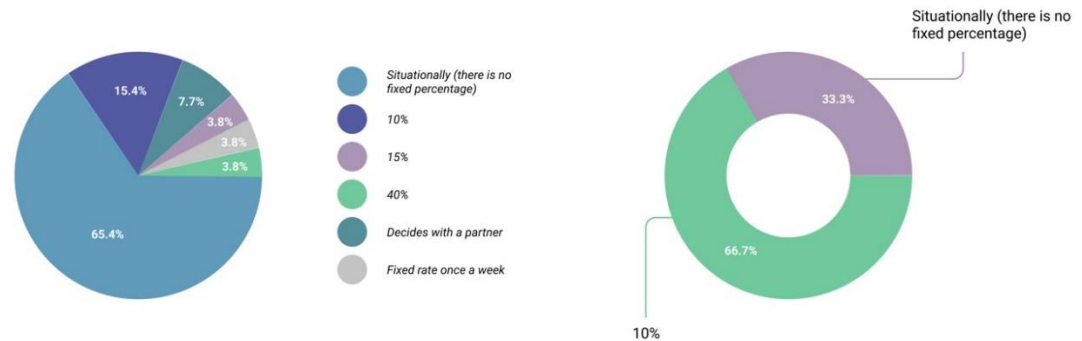


Figure 6. Allocation of part of the profit to charity
 (Left: leaders` responses on percentage of charity profits,
 right: CFO responses to the existence of a fixed percentage on charity)

Most of the respondents from among the leaders/founders and CFOs, namely 60%, voiced that part of the income of their organization goes to charity, and the majority of employees of these organizations do not feel that this is limiting them financially, that is, it prevents them from receiving high salaries fee. Another 29.2% of business founders donate a portion of their personal income to charity.

And although 65.4% of organizations donate on a situational basis (that is, depending on projects, requests from their friends, requests from charitable organizations, etc.), certain categories of Protestants (15.4% of organizations among respondents) adhere to the principle of deduction a fixed percentage of profits for charity. The most common is 10%, which is in line with the biblical principle of tithes. This is confirmed by the results of a survey of CFOs, 66.7% of whom indicated exactly 10% as the volume of their sacrifice or their organizations. This principle applies more to the distribution of own income. In matters of distribution of profits of the organization, businessmen practice high interest rates. The maximum percentage indicated by the respondents is 40%, which is a fairly high indicator of the level of sacrifice and charity.

An important aspect is to find out how systematic and organized the charitable activities of the Protestant business are (Figure 7). 48% of respondents indicate that charitable activities can be carried out situationally, but not only in this way. 43.3% noted that they regularly cooperate with charitable organizations, in some cases Protestant business supports projects of religious organizations. An important indicator of activity in the charitable field is the initiative of the employees themselves and the support of their initiatives by leaders. This was noted by 28.7% of respondents, which is also positive and indicates the influence of personal activity on public. In terms of their charitable initiatives, the most common are support for church projects (57.1%), work with children (51.4%) and people with special needs (43.3%), educational projects (37.1%), assistance to low-income segments of the population (27.1%), prevention of addictions (22.9%), and assistance to people with drug, alcohol and tobacco addiction, etc.

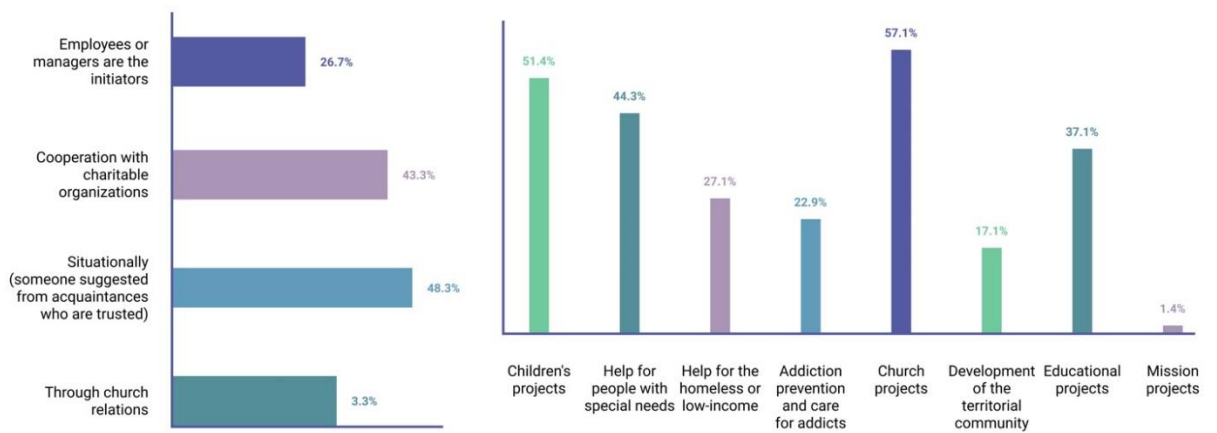


Figure 7. Activity of Protestant business in charitable work

Another important factor in the influence of Protestant business on the stabilization of socio-economic processes in Ukrainian society is the social and political activity of Protestants (Figure 8), which is manifested in the participation of Protestants in law-making processes and projects of the local territorial community.

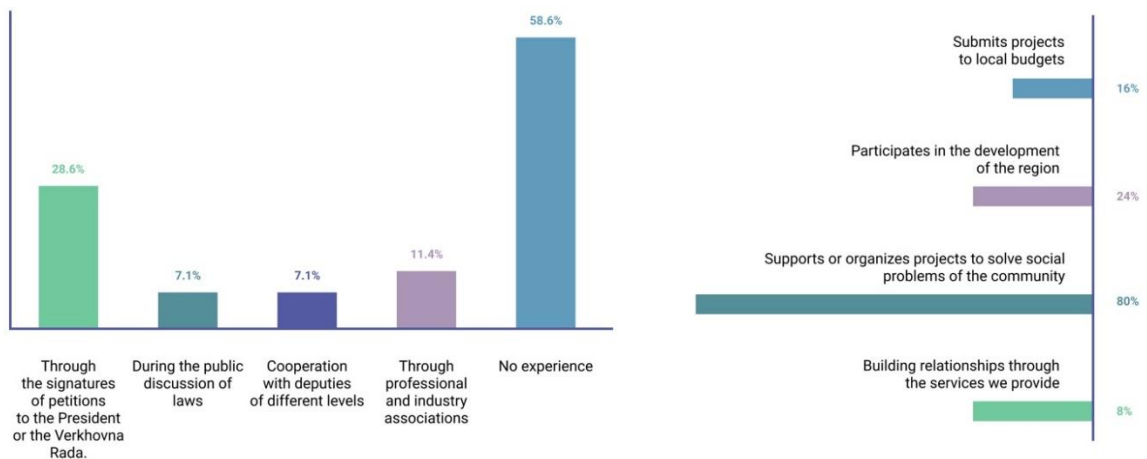


Fig. 8. Social and political activity of Protestants

Less than half of all respondents take part in various processes related to legislative processes (58.6% of respondents noted that they do not carry out such activities and are not connected with it in any way). The rather low activity of Protestants in the field of politics and legislation is associated with the Soviet past: on the one hand, believers were practically powerless, and the authorities were perceived as enemies and persecutors of the church, which did not contribute to close cooperation. On the other hand, the participation of citizens in the development of the state or territorial community was only declared, but was not realized in practical life. Therefore, ordinary citizens of Ukraine have virtually no experience in building civil society and do not realize, and sometimes simply do not believe in the important role of personal influence on social processes. Despite this, Protestants are beginning to change their attitude towards the role of a citizen in the development of their community and country, and are taking initiatives in the following directions:

1) Participation in legislative activity. Over the last few years, the activity of citizens has increased in expressing their opinion regarding support or, on the contrary, inhibition of individual initiatives that are put forward by political parties, government, parliament through the system of electronic petitions. Protestants actively use this tool to express public opinion and often submit petitions themselves on various issues, especially with regard to support for Christian principles in all spheres of life. 26.8% of respondents indicated that they use this tool.

Some Protestant founders of their own business take part in public discussions of the draft law, cooperate with deputies, and are part of professional and industry associations.

2) Cooperation at the level of the territorial community. The vast majority of Protestant business initiatives at the regional level are implemented through the support or organization of projects aimed at solving social problems of the community (80%). This is due to several reasons: on the one hand, the social orientation of the initiatives corresponds to the mission of most Protestant communities, as an imitation of the ministry of Christ, who tried to alleviate the problems of people caused by their social status. On the other hand, neither local budgets nor local governments are primarily focused on solving social problems. According to local authorities, there is a constant lack of funds for this. Therefore, the initiatives of individual organizations that improve the social background of the local community are always perceived positively by local authorities. Among other initiatives, Protestants also practice submitting their projects to local budgets (16% of respondents), participating in local initiatives of other organizations or government officials aimed at building and developing the region (24%), or building positive relationships and benefiting the local community through their products or services, ie through direct activities.

Conclusion

The Protestant ethic, which became the basis for building economic relations in the leading developed countries of the world, is important for non-Protestant countries, which includes Ukraine. It was found that despite the relatively low percentage of Protestants in relation to other religions, which is about 2% of the population of Ukraine, the influence on socio-economic processes is much greater due to the fact that their activity is disproportionate to their number. Protestants influence through Protestant-based organizations or with the vast majority of Protestant workers. The study identified factors influencing business on the economic processes of Ukraine. These factors were divided into two types: factors of direct influence and factors of indirect influence. In turn, factors and directions of influence were singled out in each factor. Factors and areas of direct influence include the direct activities of Protestant business, influence at the sectoral and regional levels, as well as through legislative initiatives. Factors of indirect influence included the creation of a positive climate in the company, increasing the level of spirituality of contact audiences, the influence on the families of

employees and partners, social initiatives, solving problems of the local community. The study conducted a survey of representatives of the Protestant business environment, which was attended by 70 respondents from among the founders, leaders, CFOs, accountants and employees of Protestant firms. Thanks to the collected data, the level of sacrifice of Protestant business was analyzed, the directions of their social and public activity, interaction with the local community, participation in legislative processes, the influence of ethics on managerial decisions, support of family members, etc. were identified. The results of the survey confirmed the influence of Protestant economic ethics on the stabilization of economic processes in Ukraine.

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